



Technology-Neutral
(Resource-agnostic)
Markets:

***Why have we gotten
RTO capacity markets
so mixed up?***

Michael Milligan, Consultant to GridLab

Paul Sotkiewicz, E-Cubed Policy Assoc.

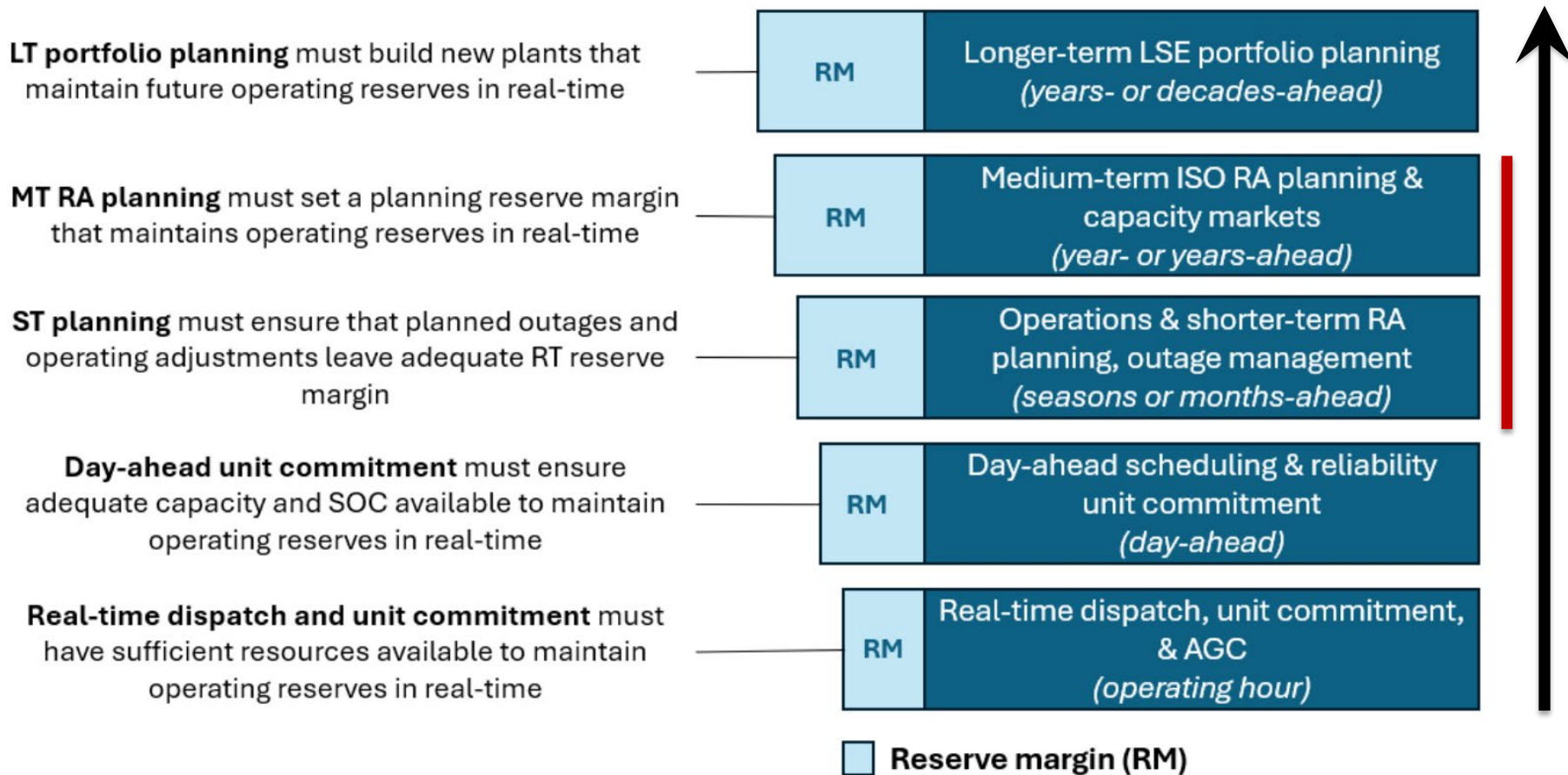
Fritz Karl, 3rd Rail, Inc.

Priya Sreedharam, GridLab

ESIG Markets and
Forecasting Workshop
June, 2025

GridLAB

ESIG Blog: Rethinking Resource Adequacy: A Real-Time Reliability Perspective



Bottoms-up: Ensure we get the incentives properly aligned.

Bottoms up: Better Align Incentives

Decision Variable

What to build

Availability/
Reserve

Commitment

Dispatch

RTO Capacity Markets are buying the wrong thing, and doing it in the wrong time frame

- Planning and investment takes longer than the typical 1-3 year capacity market horizon
- Therefore, ELCC is the wrong measure to use
- Should be a resource-agnostic, performance-based metric useful in the *ops-planning* time frame, *not the planning/investment time frame*

Questions/Discussion



Extra

Resource Availability Funnel*

Planning and Investment Time Frame



Resource Stack is now constant

RA Stack for Operational Planning



RTO Purview

Available for UC



Includes Forced Outages

Available in Real-Time



*Bars not to scale